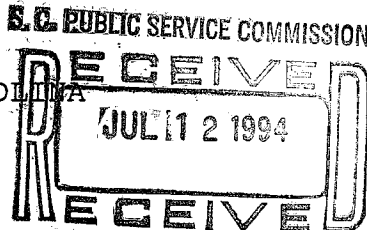


94-424-W

STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND



BEFORE THE PUBLIC  
SERVICE COMMISSION  
OF SOUTH CAROLINA

DOCKET NO. 94-304-W

IN RE: APPLICATION OF UPSTATE HEATER  
UTILITIES, INC. FOR INCREASE  
OF RATES AND CHARGES FOR  
WATER SERVICE

**ACCEPTED**  
Adm CWB 7/19/94 pao  
304 7-15-94  
7-13-94  
TAM

1. All correspondence or communication concerning this application should be addressed to the following persons:

Darra Williamson Cothran  
Woodward, Leventis, Unger, Daves,  
Herndon and Cothran  
Attorneys at Law  
P.O. Box 12399  
Columbia, SC 29211  
Telephone: 803-799-9772

**POSTED**  
7/19/94  
pao

William E. Grantmyre  
President  
Upstate Heater Utilities, Inc.  
P.O. Drawer 4889  
Cary, NC 27519  
Telephone: 919-467-8712, Ext. 35



2. Applicant is a water utility operating in the state of South Carolina and is subject to the jurisdiction of this Commission as to its rates and charges for water utility service. Applicant is incorporated in the state of South Carolina and its office in South Carolina is located at 104 Corporate Blvd., Suite 411, West Columbia, SC 29169. The corporate offices of Applicant are located at 202 MacKenan Court, Cary, North Carolina 27511.
3. Upstate Heater Utilities, Inc. hereby makes application under S.C. Code Ann., Sect. 58-5-240(1976) to the South Carolina Public Service Commission for an increase in existing rates and charges for water service.
4. The following information is provided per S.C. Code Ann., 58-5-240(1976), the Commission's Rules and Regulations for Water Utilities and R.103-821 of the Commission's Rules of Practice and Procedure.
  - a. A statement of reason justifying need for proposed rate adjustment.

As can be seen on Exhibit C, Upstate Heater Utilities, Inc. for water operations after proforma adjustments

*Hand delivered / km*

allowed or required under the Commission's Rules and Regulations lost \$12,625 after interest expense. The operating margin under current rates after proforma adjustments after interest expense was a negative 3.62% (Exhibit K).

The Company has applied for rates which will result in an operating margin after interest expense of 8.51% utilizing Heater Utilities, Inc.'s consolidated capital structure. An operating margin of 11.0% is requested should the Commission utilize the Minnesota Power/Topeka capital structure instead of Heater Utilities' consolidated. Although Upstate Heater Utilities believes an operating margin in excess of 8.51% under Heater Utilities' consolidated capital structure to be proper and necessary, the Company is concerned about the potential impact on its customers. The Company is seeking rates resulting in this operating margin in this case in an attempt to minimize the impact on the customers. Upstate Heater Utilities believes the proposed increase acceptably balances the interest of the Company and the customer. Upstate Heater Utilities, Inc. requests the Commission set the rates and charges based upon the operating margin methodology.

Upstate Heater Utilities has experienced substantial increases in operating expenses such as purchased water, property taxes, water treatment chemicals, communications, depreciation, materials and supplies, increasing field service operations due to the requirements of the Safe Drinking Water Act and other operating expenses.

The last rate increase for these water systems was by order dated May 13, 1992, Docket No. 91-095-W, Order No. 92-350.

The rates applied for by Upstate Heater Utilities, Inc. are absolutely necessary in order to maintain the quality of service to the customers. If the current proforma operating losses should continue, it will be impossible for Upstate Heater Utilities to maintain its current level of service and customer satisfaction would decrease. The Company needs the rate increase in order to continue to upgrade the quality of service rendered to its customers.

Upstate Heater Utilities needs the rate increase to earn a reasonable profit on its operations and a fair and reasonable return on common equity which are necessary to maintain the financial integrity of the corporation. The Company must earn a reasonable profit and reasonable return on common equity to attract the needed capital for

plant additions and modifications needed to meet the more stringent water quality standards required in 1994 and future years by the federal Safe Drinking Water Act.

- b. Most current available income and expense statement for the preceding twelve months. (Test year)

Refer to Exhibits C and E.

- c. Applied for rate schedule.

The applied for water rates are included in Exhibit Q.

- d. Test year proposed to be used.

We propose the test year be the twelve months ended March 31, 1994.

- e. Proforma income and expense statement using proposed rates applied to proposed test year.

Refer to Exhibits C and E.

The proforma adjustments reflect only those costs that could readily be quantified. A number of other costs have increased due to increased prices. However, these other increased costs have not been added to the proforma expenses for this rate case because of the difficulty in accurately quantifying these expenses.

- f. Balance sheet.

Refer to Exhibit B.

- g. Depreciation schedule by categories of plant or average service lines.

Refer to Exhibit L.

- h. Number of present and expected customers in the following twelve months.

End of test year customers - Water 1,212. Expected customers at the end of twelve months - Water 1,242.

- i. Cost justification for proposed rates and charges.

Refer to Exhibits C, D and E for cost justification for proposed water rates and charges.

j. Filing or upgrading performance bond.

Performance bond in amount of \$50,000.00 is on file with this Commission.

k. Current or updated service area map.

Service area maps are already on file with the Commission.

l. Statement of total plant investment by categories.

Refer to Exhibits A and E-1.

m. Most recent letters of approval from the Department of Health and Environmental Control.

Refer to Exhibit O.

n. Operating margins.

Refer to Exhibit K.

o. Customer bill form.

Refer to Exhibit N.

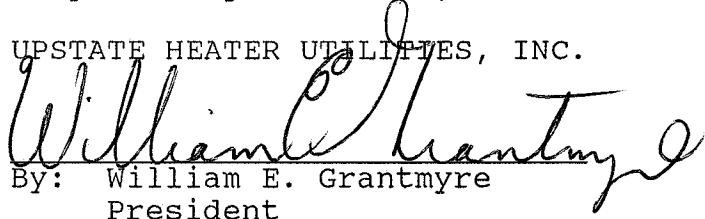
Other exhibits have been attached to provide supplemental information.

WHEREFORE, the Applicant, Upstate Heater Utilities, Inc. prays that the Commission inquire into the matter set forth herein and find the applied for rates and charges as set forth in Exhibit Q, to be fair and reasonable.

This the 11th day of July, 1994.

Respectfully submitted,

UPSTATE HEATER UTILITIES, INC.

  
By: William E. Grantmyre  
President

WOODWARD, LEVENTIS, UNGER, DAVES,  
HERNDON AND COTHRAN  
Attorneys for Upstate Heater  
Utilities, Inc.

Dana W Cothran

By: Darra Williamson Cothran  
P.O. Box 12399  
Columbia, SC 29211  
803-799-6739

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

PERSONALLY APPEARED before me, William E. Grantmyre, who, being duly sworn states that he is the President of the Applicant; that he has read the foregoing Application and that the matters set forth are true and correct to his own knowledge or are based upon information which he believes to be true and correct; that as President of the Applicant he is authorized to verify pleadings on its behalf.

SWORN TO BEFORE ME this 11<sup>th</sup> day of July, 1994.

Robert D. Thomas  
Notary Public for North  
Carolina

William E. Grantmyre  
William E. Grantmyre

My Commission Expires:  
My Commission Expires 5-5-96

UPSTATE HEATER UTILITIES, INC.  
INDEX TO EXHIBITS

Total Original Cost Rate Base	Exhibit A
Balance Sheet Consolidated March 31, 1994	Exhibit B
Profit and Loss Summary Statement - Per Book, Proforma and Proposed Rates	Exhibit C
Explanation of Proforma Adjustments	Exhibit D
Profit and Loss Statement - Line Item Per Book, Proforma and Proposed Rates	Exhibit E
Depreciation Schedule by Categories of Plant	Exhibit E-1
Explanation of Line Item Grouping into Profit and Loss Summary Statement	Exhibit F
Explanation of Adjustments Due to Applied for Rate Increase	Exhibit G
Calculation of Income Taxes - Present and Applied for Rates	Exhibit H
Working Capital Allowance	Exhibit I
Return on Original Cost Rate Base	Exhibit J
Calculation of Operating Margins	Exhibit K
Depreciation Rates	Exhibit L
Method of Distributing Expenses	Exhibit M
Customer Bill Form	Exhibit N
Most Recent Letters of Approval from DHEC	Exhibit O
Consumption Revenue Analysis	Exhibit P
Applied for Rate Schedule	Exhibit Q

## Exhibit A

UPSTATE HEATER UTILITIES  
ORIGINAL COST RATE BASE  
FOR THE TEST YEAR ENDED 3/31/94

LINE NO. -----	ITEM -----	TOTAL AMOUNT -----
1.	Utility Plant In Service	\$1,281,366
2.	Contributions—in—aid of construction	(224,214)
3.	Accumulated Deferred Income Taxes	(29,006)
4.	Accumulated Depreciation	(267,021)
		-----
5.	Net Original Cost Utility Plant	\$761,125
6.	Meters and Supplies Inventory	9,811
7.	Cash Working Capital	29,311
		-----
8.	Total Original Cost Rate Base	\$800,247
		=====

HEATER UTILITIES, INC.  
CONSOLIDATED BALANCE SHEET  
MARCH 31, 1994

[illegible]



UPSTATE HEATER UTILITIES  
PROFIT AND LOSS STATEMENT  
WATER OPERATIONS  
TEST YEAR ENDED 3/31/94

	PER BOOKS	ACTUAL PROFORMA ADJUSTMENTS	AS ADJUSTED	EFFECT OF PROPOSED INCREASE	TOTAL AFTER INCREASE
<b>REVENUES:</b>					
Metered water revenues	\$342,721	\$2,569 [1]	\$345,290	\$71,588 [1A]	\$416,878
Miscellaneous revenues	21,620	(16,673) [2]	4,947		4,947
Uncollectibles	(2,014)	663 [3]	(1,351)	(279) [2A]	(1,630)
Total	\$362,327	(\$13,441)	\$348,886	\$71,309	\$420,195
<b>OPERATION AND MAINTENANCE:</b>					
Salaries and wages	\$37,212	\$8,357 [4]	\$45,569		\$45,569
Purchased Water	52,865	5,099 [5]	57,964		57,964
Purchased power	18,891	(1,545) [6]	17,346		17,346
Maintenance and repair	1,169	88 [7]	1,257		1,257
Equipment rental	684		684		684
Transportation and equipment operation	2,732	340 [8]	3,072		3,072
Chemicals, freight, and other misc.	28,830	(18,402) [9]	10,428		10,428
Total	\$142,383	(\$6,063)	\$136,320		\$136,320
<b>GENERAL EXPENSES:</b>					
Salaries and wages	\$37,989	(\$5,758) [10]	\$32,231		\$32,231
Pensions and other employee benefits	9,350	3,215 [11]	12,565		12,565
Purchased power – office	731	32 [12]	763		763
Materials and supplies – office	2,301		2,301		2,301
Contractual services	12,333	(700) [13]	11,633		11,633
Rent	3,210	1,555 [14]	4,765		4,765
Transportation	592	(288) [15]	304		304
Insurance	8,222	(3,497) [16]	4,725		4,725
Regulatory commission expense	14,729	(5,380) [17]	9,349		9,349
Telephone, postage, & other misc.	16,179	3,352 [18]	19,531		19,531
Interest expense – other	204	(204) [19]			
Total	\$105,840	(\$7,673)	\$98,166		\$98,166
Depreciation	\$44,293	\$10,666 [20]	\$54,959		\$54,959
Taxes other than income taxes	28,368	926 [21]	29,294	807 [3A]	30,101
Income taxes – State	(458)	458 [22]		2,894 [4A]	2,894
Income taxes – Federal	(14,353)	14,353 [22]		19,244 [4A]	19,244
Total	\$57,850	\$26,403	\$84,253	\$22,945	\$107,198
Total operating expenses	\$306,073	\$12,667	\$318,740	\$22,945	\$341,684
Net operating income before interest	\$56,254	(\$26,108)	\$30,146	\$48,364	\$78,510
Interest expense – Notes Payable	\$67,370	(\$24,599) [23]	\$42,771		\$42,771
Net operating income	(\$11,116)	(\$1,509)	(\$12,625)	\$48,364	\$35,739

UPSTATE HEATER UTILITIES, INC.  
EXPLANATION OF PROFORMA ADJUSTMENTS  
TEST YEAR ENDED MARCH 31, 1994

Revenues

- (1) Metered Water Revenues have been adjusted to reflect an annual level of revenues received from water operations.
- (2) Miscellaneous Revenues have been adjusted to exclude the revenues related to the surcharge for EPA testing. These revenues have been eliminated as they are not a component of Upstate's rate structure.
- (3) Uncollectibles percentage incurred during the test year has been applied to proforma revenues to produce the amount of proforma uncollectibles.

Operations and Maintenance Expenses

- (4) Salaries and Wages have been adjusted to reflect the level of field employees at March 31, 1994, at their current salary and wage rates. Test year salaries and wages balances are the result of actual hours worked during the test year at the hourly payroll rate of the employee at the time the work was performed. In addition, some O&M salaries have been reclassified from general expenses.
- (5) Purchased Water has been adjusted to reflect an annualized level of purchased water expense. Per book amounts do not include twelve months of expense related to the systems that began purchasing bulk water during the test year.
- (6) Purchased Power has been adjusted to reflect an annualized level of electricity usage. Per book amounts include expense for certain systems that are no longer utilizing purchased power as they began purchasing bulk water during the test year. A downward adjustment was made in order to exclude these amounts.
- (7) Maintenance and Repair has been adjusted to reflect an annual level of expense. Per book amounts include adjustments related to items incurred prior to the test year, which have been eliminated.
- (8) Transportation and Equipment Operation Expense has been adjusted to reflect test year allocation percentages which results in a larger percentage of transportation expense being expensed than per book amounts reflect. An adjustment

has been made to increase transportation expense to reflect the appropriate expensed amount.

Power operated equipment has been adjusted to reflect an annual level of expense. This adjustment reflects a reclassification from general expenses to operations and maintenance expense.

- (9) Chemicals, Freight and Other Miscellaneous expenses include adjustments to water testing fees, chemicals, outside services and permit fees.

Water testing fees have been adjusted to the current level as required by the Safe Drinking Water Act. In addition, certain EPA testing fees have been eliminated as they are not an operating expense to be recovered in Upstate's rate structure.

Chemicals have been adjusted to reflect the current level of expense. Per book amounts include some expenses which will not continue on an ongoing basis, which have been eliminated.

Outside services have been adjusted to reflect an annual level of expense. This adjustment reflects a reclassification of outside services from operations and maintenance expense to general expenses.

Permit fees have been eliminated as they are no longer an operating expense to be recovered in Upstate's rate structure.

#### General Expense

- (10) Salaries and Wages have been adjusted to reflect the level of office employees at their current salary or hourly rate. Test year salaries and wages balances are the result of actual hours worked during the test year at the payroll rate of the employee at the time the work was performed. In addition, some salaries have been reclassified to O&M salaries and wages expense.
- (11) Pensions and Other Employee Benefits have been adjusted to reflect Upstate's pension plan contributions based on proforma test year wages.

Group medical insurance has been adjusted to reflect the amount of expense associated with the proforma test year level of employees premiums and coverages.

Long term disability insurance has been adjusted to reflect the amount of expense associated with the proforma test year level of employees at their proforma base salaries.

- (12) Purchased Power - Office has been adjusted to the appropriate annual level of expense based on percentages derived from the time sheets that the office employees are required to keep.
- (13) Contractual Services has been adjusted to reflect the annual cost of contractual services related to accounting, legal and miscellaneous other contractual service contracts currently in force.
- (14) Rent Expense has been adjusted to reflect the level of expense that Upstate is currently incurring.
- (15) Transportation Expense has been adjusted to reflect an annual level of expense associated with the general operations of Upstate.
- (16) Insurance has been adjusted to reflect the current premium levels in effect on an annualized basis for vehicles, general liability insurance and workers compensation insurance.
- (17) Regulatory Commission Expense has been adjusted to include the costs incurred as a result of the rate case proceeding. A three year amortization period has been applied to the prior and current rate case expense.
- (18) Telephone, Postage and Other Miscellaneous Expenses have been adjusted to reflect the appropriate annual level of expense related to general and administrative expense, telephone and communications, postage, dues and subscriptions, travel and meals costs, banking costs, employee education expense, office machine maintenance and stockholders expense based on percentages derived from the time sheets that the office employees are required to keep.
- (19) Interest Expense - Other has been adjusted to reclassify the amount of service charges included in test year operating expenses to a non-utility expense account. In addition, amortization of financing costs has been excluded as an operating expense and instead, included as a component of Heater Utilities' (Consolidated) composite cost of debt used in this rate proceeding.
- (20) Depreciation Expense cost has been adjusted to reflect an annual amount of cost depreciation expense on cost utility

plant in service included in this rate case proceeding. In addition, amortization of abandoned wells has been adjusted to reflect an annual level of expense related to wells abandoned.

- (21) Taxes Other Than Income Taxes includes adjustments to property tax expense, FICA tax expense, unemployment tax expense, business license expense, and regulatory assessment fees.

Property tax expense has been adjusted to reflect an annual level of expense on utility plant in service included in this rate case proceeding based on current tax assessments issued by the South Carolina Tax Commission.

FICA tax expense and unemployment tax expense have been adjusted to reflect the proforma test year level of salaries and wages expense.

Business license expense has been adjusted to reflect the rate of .3% license fee applied to the present level of revenues and test year receipts and .1% applied to the fair market value of property owned as determined by the South Carolina Tax Commission.

Regulatory assessment fees have been adjusted to reflect the rate of .83% applied to the present level of revenues.

- (22) State and Federal Income Taxes have been adjusted for the effects of the proforma level of revenues at the current statutory state and federal income tax rates of 5% and 35%, respectively.
- (23) Interest Expense - Notes Payable has been adjusted to reflect the amount of interest on utility plant in service included in this rate case proceeding.

UPSTATE HEATER UTILITIES  
PROFIT AND LOSS STATEMENT  
WATER OPERATIONS  
TEST YEAR ENDED 3/31/94

Exhibit E  
Page 1 of 3

	PER BOOKS	ACTUAL PROFORMA ADJUSTMENTS	AS ADJUSTED	EFFECT OF PROPOSED INCREASE	TOTAL AFTER INCREASE
<hr/>					
Utility Operating Revenue					
461.100 Metered Water to Residential Customers	\$342,721	\$2,569	\$345,290	\$71,588	\$416,878
471.100 Reconnect Fees	780		780		780
471.200 Late Payment Fees	1,197		1,197		1,197
471.300 Water Testing Fees	16,673	(16,673)			
474.300 New Account Fees	2,970		2,970		2,970
670.600 Uncollectibles	(2,014)	663	(1,351)	(279)	(1,630)
	<hr/>				
Total Operating Revenues	\$362,327	(\$13,441)	\$348,886	\$71,309	\$420,195
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Plant Operations and Maintenance Expenses					
601.000 Salaries & Wages—Emp Benefits	\$4,134 )				
601.100 Salaries & Wages—Field Operations	7,937 )	8,357	45,569		45,569
601.200 Salaries & Wages—Meter Reading	4,647 )				
601.230 Salaries & Wages—Pumping Maintenance	2,464 )				
601.320 Salaries & Wages—Water Treatment—Oper.	17,093 )				
601.330 Salaries & Wages—Water Treatment—Maint.	48 )				
601.420 Salaries & Wages—Trans. & Dist.—Oper.	82 )				
601.430 Salaries & Wages—Trans. & Dist.—Maint.	807 )				
610.220 Purchased Water	52,865	5,099	57,964		57,964
615.223 Purchased Power—Duke Power	17,678	(1,545)	16,133		16,133
615.231 Purchased Power—Little River	1,213		1,213		1,213
618.320 Chemicals	936	(125)	811		811
620.200 Materials & Supplies	313		313		313
620.230 Materials & Supplies—Pumping Maint.	4	(4)			
620.320 Materials & Supplies—Water Treatment—Op	286	92	378		378
642.200 Rental of Equipment—Operating	584		584		584
642.430 Rental of Equipment—Trans. & Dist.—Ma.	100		100		100
650.600 Transportation Expense	2,732	325	3,057		3,057
651.200 Power Operated Equipment		15	15		15
675.100 Misc. Expense—Outside Services	368	(208)	160		160
675.110 Misc. Expense—Permit Fees	317	(317)			
675.120 Misc. Expense—Safety	251		251		251
675.200 Small Tools	566		566		566
675.320 Misc. Expense—Water Treatment—Op.	92	(92)			
675.321 Water Treatment—Coliform	4,420	535	4,955		4,955
675.325 Water Treatment—VOC's	3,540		3,540		3,540
675.328 SC Water Testing Fees	18,195	(18,195)			
675.420 Misc. Expense—Trans. & Dist.—Op.	371		371		371
676.000 Freight Expense	340		340		340
	<hr/>				
Total Operations & Maint. Expense	\$142,383	(\$6,063)	\$136,320		\$136,320
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UPSTATE HEATER UTILITIES  
PROFIT AND LOSS STATEMENT  
WATER OPERATIONS  
TEST YEAR ENDED 3/31/94

	PER BOOKS	ACTUAL PROFORMA ADJUSTMENTS	AS ADJUSTED	EFFECT OF PROPOSED INCREASE	TOTAL AFTER INCREASE
<hr/>					
General Expenses					
601.600 Salaries & Wages—Customer Accounts	\$7,966 )				
601.700 Salaries & Wages—Admin. & General	23,812 )	(5,758)	32,231		32,231
603.000 Salaries & Wages—Employee Benefits	2,698 )				
603.700 Salaries of Officers—Admin. & General	3,513 )				
604.000 Employee Benefits—Uniforms	6,761	(6,239)	522		522
604.001 Employee Benefits—Pensions	1,075	4,348	5,423		5,423
604.002 Employee Benefits—Health Ins.	1,514	5,106	6,620		6,620
615.700 Purchased Power—Admin. & General	731	32	763		763
620.600 Materials & Supplies—Customer Accounts	38		38		38
620.700 Materials & Supplies—Admin. & General	2,263		2,263		2,263
632.700 Contractual Services—Accounting	2,168	(20)	2,148		2,148
633.700 Contractual Services—Legal	19	58	77		77
635.700 Contractual Services—Other	10,146	(738)	9,408		9,408
641.700 Rental of Building/Property	3,210	1,480	4,690		4,690
642.700 Rental of Equipment		75	75		75
650.700 Transportation Expense—Admin. & General	577	(273)	304		304
651.600 Power Op. Equip Exp—Customer	15	(15)			
656.700 Insurance Expense—Vehicles	2,078	(405)	1,673		1,673
657.700 Insurance Expense—Liability	1,081	(48)	1,033		1,033
658.700 Insurance Expense—Worker's Compensation	5,088	(3,129)	1,959		1,959
659.700 Insurance Expense—Other	(25)	84	59		59
666.700 Regulatory Commission Expense (Rates)	14,729	(5,380)	9,349		9,349
675.700 Misc. Expense—Admin. & General	377	44	421		421
675.710 Misc. Expense—Telephone and Communications	8,456	2,464	10,920		10,920
675.720 Misc. Expense—Postage	3,643	589	4,232		4,232
675.730 Misc. Expense—Dues and Subscriptions	618	(20)	598		598
675.740 Misc. Expense—Travel Costs	770	154	924		924
675.750 Misc. Expense—Meals	304	(12)	292		292
675.760 Misc. Expense—Banking Costs	682	(180)	502		502
675.770 Misc. Expense—Employee Education Costs	155	124	279		279
675.780 Misc. Expense—Office Machine Maint.	951	145	1,096		1,096
675.800 Misc. Exp.—Stockholders	223	44	267		267
427.330 Amortization of Financing Costs	180	(180)			
427.400 Interest Expense—Service Charges	24	(24)			
<hr/>					
Total General Expenses	\$105,840	(\$7,673)	\$98,166		\$98,166
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UPSTATE HEATER UTILITIES  
PROFIT AND LOSS STATEMENT  
WATER OPERATIONS  
TEST YEAR ENDED 3/31/94

	PER BOOKS	ACTUAL PROFORMA ADJUSTMENTS	AS ADJUSTED	PROPOSED INCREASE	AFTER INCREASE
403.100 Cost Depreciation	\$44,056	\$10,429	\$54,485		\$54,485
403.200 Donated Depreciation	4,645	(4,645)			
403.300 Amortization of Abandoned Wells	237	237	474		474
406.100 Amortization of Donated Plant	(4,645)	4,645			
408.100 Utility Reg Assess Fee	1,916	980	2,896	592	3,488
408.200 Property Tax Expense	20,191	(1,317)	18,874		18,874
408.300 FICA Tax Expense	4,565	1,320	5,885		5,885
408.400 Unemployment Tax Expense	583	(224)	359		359
408.500 Sales and Use Tax Expense	144		144		144
408.700 Taxes Other than Income—Business Licenses	969	168	1,137	215	1,352
409.100 Current Federal Income Tax—Operating	(11,221)	11,221		19,244	19,244
409.700 Current SC State Income Tax—Operating	(439)	439		2,894	2,894
410.100 Deferred Federal Income Tax—Operating	(3,132)	3,132			
410.700 Deferred SC State Income Tax—Operating	(19)	19			
Total	\$57,850	\$26,403	\$84,253	\$22,945	\$107,198
Total operating expenses	\$306,073	\$12,667	\$318,740	\$22,945	\$341,684
Net operating income before interest	\$56,254	(\$26,108)	\$30,146	\$48,364	\$78,510
Interest expense – Notes Payable	\$67,370	(\$24,599)	\$42,771		\$42,771
Net Operating Income (Loss)	(\$11,116)	(\$1,509)	(\$12,625)	\$48,364	\$35,739



UPSTATE HEATER UTILITIES, INC.  
ADJUSTMENT FOR FULL YEAR'S DEPRECIATION  
MARCH 31, 1994

ACCOUNT NUMBER	PLANT ACCOUNTS	DEPRECIATION RATE	ASSET COST		DEPRECIATION EXPENSE	
			DONATED	COST	DONATED	COST
301.110	Organization Costs			\$428		
303.210	Land – Supply & Pumping Plant			\$16,262		
304.510	Structures & Improvements	4.00%	\$76	\$26,760	\$3	\$1,070
304.510	Structures & Improvements	2.00%		\$18,250		\$365
307.210	Wells	3.33%		\$18,854		\$628
307.210	Wells	2.00%		\$71,695		\$1,434
309.210	Supply Mains	2.00%		\$101,187		\$2,024
311.210	Pumping Equipment	20.00%	\$711	\$49,192	\$142	\$9,838
311.210	Pumping Equipment	2.00%		\$61,207		\$1,224
320.310	Chem. Treatment Equipment	2.00%		\$396		\$8
320.310	Chem. Treatment Equipment	14.28%	\$10	\$34,346	\$1	\$5,138
320.310	Chem. Treatment Equipment	20.00%	\$188	\$9,024	\$38	\$1,805
320.320	Chem. Treatment Equipment	20.00%	\$100	\$136	\$20	\$27
330.410	Dist. Reserves/Standpipe/Tanks	2.00%	\$496	\$37,447	\$10	\$749
331.410	Transmission/Distr. Mains	2.00%	\$2,503	\$100,457	\$50	\$2,009
333.410	Services	2.00%	\$213,198	\$304,552	\$4,264	\$6,091
334.410	Meters & Installations	5.00%	\$6,932	\$20,047	\$347	\$1,002
334.410	Meters & Installations	2.00%		\$40,745		\$815
339.110	Other Plant/Intangible Assets	20.00%		\$8,286		\$1,657
340.510	Office Furniture & Equipment	20.00%		\$3,983		\$797
340.511	Office Furniture & Equipment	10.00%		\$5,087		\$509
341.510	Transportation Equipment	20.00%		\$16,340		\$3,268
341.510	Transportation Equipment	25.00%		\$15,398		\$3,849
342.510	Stores Equipment	10.00%		\$1,118		\$112
343.510	Tool/Shop/Garage Equipment	20.00%		\$1,686		\$337
343.511	Tool/Shop/Garage Equipment	10.00%		\$3,016		\$302
344.510	Laboratory Equipment	10.00%		\$1,228		\$123
345.510	Power Operated Equipment	14.28%		\$702		\$100
346.510	Communications Equipment	10.00%		\$1,552		\$155
347.510	Misc. Equipment	20.00%		\$1,098		\$220
349.510	Safety Equip.	20.00%		\$5,644		\$1,129
	TOTAL		<u>\$224,214</u>	<u>\$976,123</u>	<u>\$4,875</u>	<u>\$46,785</u>
	Plus: Allocations			\$81,029		\$7,701
	Total Assets		<u>\$224,214</u>	<u>\$1,057,152</u>		
	Proforma Test Year Depreciation Expense					<u>\$54,485</u>

REVENUES:

METERED WATER REVENUES

-----  
461.100 Metered Water to Residential Customers

MISCELLANEOUS REVENUES

-----  
471.100 Reconnect Fees  
471.200 Late Payment Fees  
471.300 Water Testing Fees  
474.300 New Account Fees

UNCOLLECTIBLES

-----  
670.600 Uncollectible Accounts

TOTAL

OPERATIONS AND MAINTENANCE

SALARIES AND WAGES

-----  
601.000 Salaries & Wages—Emp Benefits  
601.100 Salaries & Wages—Field Operations  
601.200 Salaries & Wages—Meter Reading  
601.230 Salaries & Wages—Pumping Maintenance  
601.320 Salaries & Wages—Water Treatment—Oper.  
601.330 Salaries & Wages—Water Treatment—Maint.  
601.420 Salaries & Wages—Trans. & Dist.—Oper.  
601.430 Salaries & Wages—Trans. & Dist.—Maint.

PURCHASED WATER

-----  
610.220 Purchased Water

PURCHASED POWER

-----  
615.223 Purchased Power—Duke Power  
615.231 Purchased Power—Little River

MAINTENANCE AND REPAIR

-----  
620.200 Materials & Supplies  
620.230 Materials & Supplies—Pumping Maint.  
620.320 Materials & Supplies—Water Treatment—Op  
675.200 Small Tools

EQUIPMENT RENTAL

-----  
642.200 Rental of Equipment—Operating  
642.430 Rental of Equipment—Trans & Dist.—Ma

TRANSPORTATION & EQUIPMENT OPERATIONS

-----  
650.600 Transportation Expense  
651.200 Power Operated Equipment

CHEMICALS, FREIGHT AND OTHER MISC

-----  
618.320 Chemicals  
675.100 Misc. Expense— Outside Contract  
675.110 Misc. Expense— Permit Fees  
675.120 Misc. Expense— Safety  
675.320 Misc. Expense—Water Treatment—Op.  
675.321 Water Treatment—Coliform  
675.325 Water Treatment—VOC's  
675.328 SC Water Testing Fees  
675.420 Misc. Expense—Trans. & Dist.—Op.  
676.000 Freight Expense

TOTAL

GENERAL EXPENSES

SALARIES AND WAGES  
-----

601.600 Salaries & Wages—Customer Accounts  
601.700 Salaries & Wages—Admin. & General  
603.000 Salaries & Wages—Employee Benefits  
603.700 Salaries of Officers—Admin. & General

PENSIONS AND OTHER EMPLOYEE BENEFITS  
-----

604.000 Employee Benefits —Uniforms  
604.001 Employee Benefits —Pensions  
604.002 Employee Benefits —Health Ins.

PURCHASED POWER —OFFICE  
-----

615.700 Purchased Power— Admin. & General

MATERIALS AND SUPPLIES — OFFICE  
-----

620.600 Materials & Supplies—Customer Accounts  
620.700 Materials & Supplies—Admin. & General

CONTRACTUAL SERVICES  
-----

632.700 Contractual Services—Accounting  
633.700 Contractual Services—Legal  
635.700 Contractual Services—Other

RENT  
-----

641.700 Rental of Building/Property  
642.700 Rental of Equipment—Admin. & General

TRANSPORTATION  
-----

650.700 Transportation Expense—Admin. & General  
651.600 Power Op. Equip Exp—Customer

INSURANCE  
-----

656.700 Insurance Expense—Vehicles  
657.700 Insurance Expense—Liability  
658.700 Insurance Expense—Worker's Compensation  
659.700 Insurance Expense—Other

GENERAL EXPENSES

REGULATORY COMMISSION EXPENSE  
-----

666.700 Regulatory Commission Expense (Rates)

TELEPHONE, POSTAGE, & OTHER MISC.  
-----

675.700 Misc. Expense—Admin. & General  
675.710 Misc. Expense—Telephone  
675.720 Misc. Expense—Postage  
675.730 Misc. Expense—Dues and Subscriptions  
675.740 Misc. Expense—Travel Costs  
675.750 Misc. Expense—Meals 50% Deductible  
675.751 Misc. Expense—Meals 100% Deductible  
675.760 Misc. Expense—Banking Costs  
675.770 Misc. Expense—Employee Education Costs  
675.780 Misc. Expense—Office Machine Maint.  
675.800 Misc. Expense—Stockholders

INTEREST EXPENSE— OTHER  
-----

427.330 Amortization of Financing Costs  
427.400 Interest Expense—Service Charges

TOTAL

DEPRECIATION

-----  
403.100 Cost Depreciation  
403.200 Donated Depreciation  
403.300 Amortization of Abandoned Wells  
406.100 Amortization of Donated Plant

TAXES OTHER THAN INCOME TAXES

-----  
408.100 Utility Regulatory Fee  
408.200 Property Tax Expense  
408.300 FICA Tax Expense  
408.400 Unemployment Tax Expense  
408.500 Sales and Use Tax Expense  
408.700 Taxes Other Than Income – Business Licenses

INCOME TAXES – STATE

-----  
409.700 Current SC State Income Tax—Operating  
410.700 Deferred SC State Income Tax—Operating

INCOME TAXES – FEDERAL

-----  
409.100 Current Federal Income Tax—Operating  
410.100 Deferred Federal Income Tax—Operating

EXHIBIT G

UPSTATE HEATER UTILITIES, INC.  
EXPLANATION OF PROFORMA ADJUSTMENTS  
TEST YEAR ENDED MARCH 31, 1994

- (1A) METERED WATER REVENUES have been adjusted to reflect the annualized revenues which will be collected from test year customers as a result of the applied for rates.
- (2A) UNCOLLECTIBLES percentage has been applied to the increased revenue as a result of the applied for rates.
- (3A) TAXES OTHER THAN INCOME TAXES have been adjusted to reflect the license fee and the regulatory assessment fee which will be collected on the increased revenue as a result of the applied for rates.
- (4A) INCOME TAXES have been adjusted for the effects of the applied for rates at the current statutory state and federal income tax rates of 5% and 35%, respectively.

UPSTATE HEATER UTILITIES  
 CALCULATION OF INCOME TAXES  
 WATER OPERATIONS  
 For the Test Year Ended March 31, 1994

Line No.	Item	Present Rates	After Proposed Increase
-----	-----	-----	-----
		(a)	(b)
1	Operating revenue	\$348,886	\$420,195
2	Operating revenue deductions:		
3	Operating expenses	\$234,487	\$234,487
4	Depreciation	54,959	54,959
5	Taxes other than income taxes	29,294	30,101
6	Interest expense	42,771	42,771
7	Total operating revenue deductions	\$361,511	\$362,317
8	Taxable income (L1-L7)	(\$12,625)	\$57,877
9	State income tax @ 5% (L8 x 5%)		\$2,894
10	Federal taxable income (L8-L9)	(\$12,625)	\$54,983
11	Federal income tax @ 35% (L10 x 35%)		\$19,244



UPSTATE HEATER UTILITIES  
WATER OPERATIONS  
CALCULATION OF WORKING CAPITAL ALLOWANCE  
For the Test Year Ended March 31, 1994

Line No. -----	Item -----	WATER OPERATIONS -----
1.	Proforma test year expenses	\$234,487 =====
2.	Cash working capital (1/8 x L1)	\$29,311 =====

HEATER UTILITIES, INC.  
RETURN ON COMMON EQUITY AND ORIGINAL COST RATE BASE  
UPSTATE HEATER UTILITIES  
For the Test Year Ended March 31, 1994

Line No.	Item	Capital- ization Ratio	[1]	Original Cost Rate Base	Embedded Cost	Overall Cost Rate	Net Operating Income
		(a)		(b)	(c)	(d)	(e)
Present rates:							
1.	Debt	59.32%		\$474,707	9.01%	5.34%	\$42,771
2.	Equity	40.68%		325,540	-3.88%	-1.58%	(12,625)
3.	Total	100.00%		\$800,247		3.76%	\$30,146
Proposed rates:							
4.	Debt	59.32%		\$474,707	9.01%	5.34%	\$42,771
5.	Equity	40.68%		325,540	10.98%	4.47%	35,739
6.	Total	100.00%		\$800,247		9.81%	\$78,510

Exhibit K

UPSTATE HEATER UTILITIES  
WATER OPERATIONS  
CALCULATION OF OPERATING MARGINS  
TEST YEAR ENDED MARCH 31, 1994

	WATER OPERATIONS	
	PRESENT RATES	PROPOSED RATES
Operating Revenues	\$348,886	\$420,195
Operating Expenses	361,511	384,455
Net Operating Income	(\$12,625)	\$35,739
Operating Margin (After Interest)	-3.62%	8.51%

UPSTATE HEATER UTILITIES, INC.  
DEPRECIATION RATES

<u>ACCOUNT</u> <u>NO.</u>	<u>DESCRIPTION</u>	<u>LIFE</u>	<u>RATE</u>
301.110	Organization Costs	0	0.00%
303.210	Land-Supply and Pumping Plant	0	0.00%
304.510	Structures & Improv.-General Plant	25	4.00%
307.210	Wells	30	3.33%
309.210	Supply Mains	50	2.00%
311.210	Pumping Equipment	5	20.00%
320.310	Water Treatment Equipment	7, 5	14.28%, 20.00%
320.320	Chemical Treatment Equipment- Five Year	5	20.00%
330.410	Dis.Reservoir/Standpipe/Tanks	50	2.00%
331.410	Transmission & Distribution Mains	50	2.00%
333.410	Services	50	2.00%
334.410	Meter and Installation	20	5.00%
339.110	Other Plant & Misc.Equipment- Intangibles	5	20.00%
340.510	Office Furniture & Equipment - 5 Year	5	20.00%
340.511	Office Furniture & Equipment - 10 Year	10	10.00%
341.510	Transportation Equipment	5	20.00%
341.510	Transportation Equipment	4	25.00%
342.510	Stores Equipment	10	10.00%
343.510	Tools/Shop/Garage Equipment - 5 Year	5	20.00%
343.511	Tools/Shop/Garage Equipment- 10 Year	10	10.00%
344.510	Laboratory Equipment	10	10.00%
345.510	Power Operated Equipment	7	14.28%
346.510	Communication Equipment	10	10.00%
347.510	Misc. Equipment - 5 Year	5	20.00%
347.511	Misc. Equipment - 10 Year	10	10.00%
349.510	Safety Equipment	5	20.00%
	Purchased Assets		2.00%

UPSTATE HEATER UTILITIES, INC.  
METHOD OF DISTRIBUTION – WATER OPERATIONS  
EXPENSE ACCOUNTS

ACCT NO	ITEM	DISTRIBUTION METHOD	ACCT NO	ITEM	DISTRIBUTION METHOD
601.000	Salaries & Wages—Employee Benefits	ACTUAL	633.700	Contractual Services—Legal	SPREAD
601.100	Salaries & Wages—Field Operations	ACTUAL	635.700	Contractual Services—Other	SPREAD
601.200	Salaries & Wages—Meter Reading	ACTUAL	641.700	Rental of Building/Property	SPREAD
601.230	Salaries & Wages—Pumping Maintenance	ACTUAL	650.700	Transportation Expense—Admin. & General	SPREAD
601.320	Salaries & Wages—Water Treatment Oper	ACTUAL	651.600	Power Op. Equip Exp—Customer	SPREAD
601.330	Salaries & Wages—Water Treatment Maint	ACTUAL	656.700	Insurance Expense—Vehicles	SPREAD
601.420	Salaries & Wages—Trans & Dist—Oper	ACTUAL	657.700	Insurance Expense—Liability	SPREAD
601.430	Salaries & Wages—Trans & Dist—Maint	ACTUAL	658.700	Insurance Expense—Worker's Compensation	SPREAD
610.220	Purchased Water	ACTUAL	659.700	Insurance Expense—Other	SPREAD
615.223	Purchased Power—Duke	ACTUAL	666.700	Regulatory Commission Expense (Rates)	ACTUAL
615.231	Purchased Power—Little River	ACTUAL	670.600	Bad Debts Expense	ACTUAL
618.320	Chemicals	ACTUAL	675.700	Misc. Expense—Admin. & General	SPREAD
620.200	Materials & Supplies—O&M	ACTUAL	675.710	Misc. Expense—Telephone	SPREAD
620.230	Materials & Supplies—Pumping Maintenance	ACTUAL	675.720	Misc. Expense—Postage	SPREAD
620.320	Materials & Supplies—Water Treatment Oper	ACTUAL	675.730	Misc. Expense—Dues and Subscriptions	SPREAD
642.200	Rental of Equipment—Operating	ACTUAL	675.740	Misc. Expense—Travel Costs	SPREAD
642.430	Rental of Equipment—Trans & Dist Maint	ACTUAL	675.750	Misc. Expense—Meals 50% Deductible	SPREAD
650.600	Transportation Expense	ACTUAL	675.751	Misc. Expense—Meals 100% Deductible	SPREAD
651.200	Power Operated Equipment	ACTUAL	675.760	Misc. Expense—Banking Costs	SPREAD
675.100	Misc Expense—Outside Contract	ACTUAL	675.770	Misc. Expense—Employee Education Costs	SPREAD
675.110	Misc Expense—Permit Fees	ACTUAL	675.780	Misc. Expense—Office Machine Maint.	SPREAD
675.120	Misc Expense—Safety	ACTUAL	675.800	Misc. Expense—Stockholders	SPREAD
675.200	Small Tools	ACTUAL	403.100	Cost Depreciation	SPREAD
675.320	Misc. Expense—Water Treatment Operations	ACTUAL	403.200	Donated Depreciation	ACTUAL
675.321	Water Treatment—Coliform	ACTUAL	403.300	Amortization of Abandoned Wells	ACTUAL
675.325	Water Treatment—VOC's	ACTUAL	406.100	Amortization of Donated Plant	ACTUAL
675.328	SC Water Testing Fees	ACTUAL	408.100	Utility Reg Assessment Fee	ACTUAL
675.420	Misc. Expense—Trans & Dist—Oper	ACTUAL	408.200	Property Tax Expense	SPREAD
676.000	Freight Expense	ACTUAL	408.300	FICA Tax Expense	SPREAD
601.600	Salaries & Wages—Customer Accounts	SPREAD	408.400	Unemployment Tax Expense	SPREAD
601.700	Salaries & Wages—Admin. & General	SPREAD	408.500	Sales and Use Tax Expense	ACTUAL
603.000	Salaries & Wages—Employee Benefits	SPREAD	408.700	Taxes Other Than Income	ACTUAL
603.700	Salaries of Officers—Admin. & General	SPREAD	409.100	Federal Income Taxes	ACTUAL
604.000	Employee Benefits – Uniforms	ACTUAL	409.700	State Income Taxes	ACTUAL
604.001	Employee Benefits – Pensions	SPREAD	410.100	Deferred Federal Income Taxes—Operating	ACTUAL
604.002	Employee Benefits – Health Insurance	SPREAD	410.700	Deferred State Income Taxes—Operating	ACTUAL
615.700	Purchased Power—Admin. & General	SPREAD	427.140	Interest Exp—Assoc Co—Topeka	SPREAD
620.600	Materials & Supplies—Customer Accounts	SPREAD	427.300	Interest Expense – Notes Payable	SPREAD
620.700	Materials & Supplies—Admin. & General	SPREAD	427.330	Amortization of Financing Costs	SPREAD
632.700	Contractual Services—Accounting	SPREAD	427.400	Interest Expense—Service Charges	SPREAD

EXHIBIT N

**MAIL TO:**

**UPSTATE HEATER UTILITIES, INC.**  
**104 CORPORATE BLVD. #411**  
**W. COLUMBIA, S.C. 29169**

**UPSTATE HEATER UTILITIES, INC.**

S.C. OFFICE: 104 CORPORATE BLVD. #411  
 W. COLUMBIA, S.C. 29169

PHONE: 803-224-1310 EMERGENCIES  
 1-800-562-5088 CUSTOMER SERVICE



First Class Mail  
 U.S. POSTAGE  
**PAID**  
 PERMIT  
 NO. 175

CUSTOMER SERVICE NUMBER	PREVIOUS READING	PRESENT READING	USAGE	SERVICE	
				FROM	TO
NAME	<div style="border: 1px solid black; width: 300px; height: 80px; margin-bottom: 5px;"></div> SERVICE LOCATION			PREV. BAL.	
				PAYMENT	
				PAST DUE	
				CURRENT	
PLEASE RETURN THIS STUB with your payment to insure proper credit to your account					
Current Billing Past Due After:	BILL DUE WHEN RENDERED. Date Mailed				
TOTAL DUE				<div style="border: 1px solid black; width: 150px; height: 100px; position: relative;"> <div style="position: absolute; top: 0; right: 0; width: 20px; height: 20px; background: black; clip-path: polygon(50% 0%, 50% 100%, 0% 100%);"></div> </div> TOTAL DUE	

**UPSTATE HEATER UTILITIES, INC.**

104 CORPORATE BLVD. #411  
 W. COLUMBIA, S.C. 29169

**BILL CODE EXPLANATION**

W-PMT	Payment transfer	W-WA	Adjustment
W-BTR	Water transfer	W-BC	Returned check
S-BTR	Sewer transfer	CR	Credit balance
W-MRA	Reading adjustment	E	Estimated reading

Bills are past due 15 days after billing date and subject to a 1.5% late charge if not paid within 25 days from billing date. Service is subject to discontinuance with a separate written notice on all past due amounts, pursuant to South Carolina Public Service Commission rules.

RATE SCHEDULE FURNISHED ON REQUEST

NAME (FOR ADDRESS CORRECTION) ONLY

STREET/P.O. BOX

CITY

STATE

ZIP

**RETURN TO:**  
**UPSTATE HEATER UTILITIES, INC.**  
**104 CORPORATE BLVD. #411**  
**W. COLUMBIA, S.C. 29169**

June 6, 1994

EXHIBIT 0  
PAGE 1 OF 2

Upstate Heater Utilities  
Attn: Henry Dyar  
107 Matthews Drive  
Anderson, South Carolina 29625

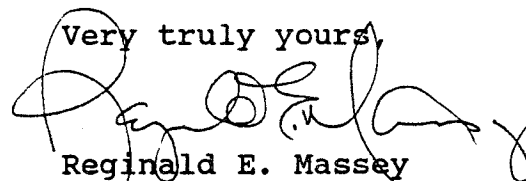
RE: Purdy Shores  
0150014  
Abbeville County

Dear Mr. Dyar:

The groundwater system serving the above referenced subdivision was permitted for construction and obtained an approval to operate by this agency. The system is properly operated and maintained and does substantially meet all applicable requirements of both State and Federal Primary Drinking Water Regulations.

Please let me know if I can be of further assistance.

Very truly yours,



Reginald E. Massey  
Env. Quality Manager IV

cc: Reading  
File

EXHIBIT 0  
PAGE 2 OF 2

June 7, 1994

**UPSTATE HEATER UTILITIES**

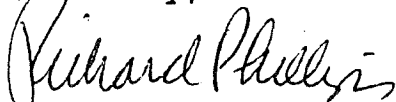
ATTN: Mr. Henry Dyar  
Utilities Manager  
107 Matthews Drive  
Anderson, SC 29625

To Whom It May Concern:

The following public drinking water supply systems owned and operated by Upstate Heater Utilities, Incorporated, are operating substantially within the guidelines and regulatory jurisdictions of the SCDHEC:

	SCDHEC System No.:
Belle Mead Acres	0450016
Bridge Water	0450033
Calhoun Acres	0450014
Clearview	0450026
Dobbin Estates	0450058
Edgebrook	0450004
Fieldcrest	0450032
Green Forest	0450006
Haynie Builders	0450063
Hidden Lake	0450072
Hill & Dale	0450036
Lakewood	0450065
Nevitt Forest	0450007
Normandy Park	0450057
Oakwood Estates	0450076
Sherwood Forest	0450029
Surfside Height	0450066
Town Creek	0450003

Sincerely,



Richard Phillips, P.E.  
District Engineer  
Appalachia I EQC District

RP/eam



# EXHIBIT P

## UPSTATE HEATER UTILITIES CONSUMPTION/REVENUE ANALYSIS TEST YEAR ENDED 3/31/94

MONTH/YEAR	TOTAL BILLS (COL. 1)	TOTAL CONSUMPTION (THOUSAND GAL.) (COL. 2)	PRESENT REVENUE (COL. 1 X \$8.75) + (COL. 2 X \$2.60)	PROPOSED REVENUE (COL. 1 X \$10.50) + (COL. 2 X \$3.15)
4/93	1,192	5,643	\$25,102	\$30,291
5/93	1,180	6,380	\$26,913	\$32,487
6/93	1,199	7,550	\$30,121	\$36,372
7/93	1,184	8,295	\$31,927	\$38,561
8/93	1,208	10,678	\$38,333	\$46,320
9/93	1,197	7,098	\$28,929	\$34,927
10/93	1,200	6,103	\$26,368	\$31,824
11/93	1,208	7,620	\$30,382	\$36,687
12/93	1,207	6,125	\$26,486	\$31,967
1/94	1,204	6,854	\$28,355	\$34,232
2/94	1,210	5,918	\$25,974	\$31,347
3/94	<u>1,212</u>	<u>6,075</u>	<u>\$26,400</u>	<u>\$31,862</u>
TOTALS	14,401	84,339	\$345,290	\$416,878

AVERAGE MONTHLY CONSUMPTION PER CUSTOMER = 5,856 GALLONS

AVERAGE MONTHLY BILL AT PRESENT RATES = \$23.98

AVERAGE MONTHLY BILL AT PROPOSED RATES = \$28.95

AVERAGE MONTHLY PROPOSED INCREASE = \$4.97

AVERAGE PERCENT MONTHLY PROPOSED INCREASE = 20.7%

EXHIBIT Q

UPSTATE HEATER UTILITIES, INC.  
APPLIED FOR RATES

WATER RATES

Metered Rates (per single family equivalent):

Basic Facility Charge (monthly)	\$10.50
Commodity Charge (per 1,000 gallons)	\$ 3.15
Water Reconnection Charge	\$30.00
New Customer Account Charge	\$22.00
One time fee charged to each new account to defray cost of initiating service.	
*Tap Fee	\$500.00

\* The full gross up will be added to the tap fee.